

Option A for the Collection and Recycling system.

Manufacturers

- Primary responsibility for implementing convenient collection system:
 - Mechanisms not specified: Options include retail take-back, mail back, HHW facilities, curbside, other.
- Shared responsibility for publicity and outreach
- Responsible for achieving specified “convenience goals”.
- Pays for transportation and recycling of lamps until convenience goals are met (potentially through a third party organization). Access to funds from Public Goods Charge after goals are met.
- Must provide data on sales and collection opportunities to State.

Retailers

- Responsible for providing point of sale information on energy efficiency benefits and recycling opportunities.
- May only sell lamps for which the manufacturer is in compliance.
- Responsible for reporting annual lamp sales in California.
- All stores invited to participate as collection centers
- Responsible for appropriate on site management of returned lamps
- If after 2 years, manufacturers can demonstrate inability to meet convenience requirements due to lack of retailer participation, then all retailers >X sq. ft. and >Y annual sales are required to participate until convenience measures achieved.

Utilities

- Facilitate flow of public goods charge funds for recycling and transportation
- Only distribute lamp brands who are fully in compliance with the program.
- Outreach and education on disposal closely coupled with all outreach on energy efficiency
- Report data on lamp distribution outside retail environment (*give-aways*)

State Government

- Provide oversight for measurement of convenience goal
- Provide certification/enforcement of recycling operations
- Provide compliance assistance to collectors and handlers
- Collect sales and recycling data. Review performance and consider enacting diversion-based performance standards

Local Government

- Provide outreach and education in partnership with State, utilities, retailers, and producers
- Participate with producers to create drop-off centers for lamps.

- Outreach and education on disposal closely coupled with all outreach on energy efficiency
- Coordinate with LEAs and solid waste management companies

Collectors/Recyclers

- Must follow universal waste management requirements.
- May enter into contracts with Manufacturer and Retailers to meet convenience goals.
- Recyclers must provide reporting on recycling of California lamps to State (via contract provisions from manufacturers).

Funding options for A

1. Use of the CPUC funds
2. All California utilities could add a minimal fee in the ratepayer bill.
3. Manufacturers incur the cost
4. Anyone who benefits from the sale of these bulbs, i.e. manufactures, retailers, importers, would be responsible for the costs of collection, transportation, and recycling of the lights.
5. Fee or increased cost on non efficient bulbs such as incandescent lights.
6. Hybrid funding of some or all of the above but relying on the manufacturers and retailers to develop a free market approach, lowering costs to meet the goal of cost efficiency.

Option B for the Collection and Recycling system

This option can be applied to any collection and recycling infrastructure as a cost efficient, transparent, and consistent method of implementation. Specifically, this option outlines how the TPO must be representative of all stakeholders, transparent in operation to the public, and accountable to all stakeholders.

Membership

- Independent and non-profit stewardship organization to implement and maintain recommendations with a board of directors drawn from a range of stakeholders including:
 - lighting manufacturers;
 - retail stores (both large and small);
 - energy utilities (municipal and investor owned);
 - state government (energy & environmental);
 - local government (urban and rural);
 - federal government;

- environmental organizations; and
 - consumer advocates;
- The basis of this group could be the existing AB 1109 Task Force.

Outline of Responsibilities of the Non-Profit TPO

Non-Profit TPO will develop, coordinate and manage a voluntary system for statewide CFL/FL collection, free and convenient to California householders. The system has the following attributes:

- Works within the framework and requirements of AB1109;
- Develops universal standards and code for operating procedures to maximize cost efficiency and public safety;
- Establishes metrics and reporting requirements;
- Develops fair and equitable agreements on key stakeholder responsibility for providing resources to support the program including direct funding and 'services in kind' participation;
- Oversees and directs public education and outreach to support the collection system;
- Creates a level economic playing field for collectors and recyclers;
- Develops an “incentivized” system of collection to include incentive payments per lamp to all collectors, mailing options for collectors and underserved areas, and payment to recyclers in accordance with prevailing market rates;
- Works closely with all agencies of government to discourage “free riders” or fraud within the system; and
- Provides a system that can expand to include other participating states.

Manufacturers

- Primary responsibility for implementing convenient collection system;
- Can contribute funding to a nonprofit TPO (formula to be determined);
- Primary responsibility for implementing convenient collection system:
 - Mechanisms specified: Options include retail take-back, CRV centers (convenience zones), voluntary third party collectors, mail back, and HHW facilities.
- Shared responsibility for publicity and outreach, but can direct the nonprofit TPO to conduct the universal public education statewide campaign;
- Responsible for achieving specified “convenience goals”;
- Pays for transportation and recycling of lamps until convenience goals are met (potentially through a third party organization). Access to funds from Public Goods Charge after goals are met or before as an incentive; and
- Must provide data on sales and collection opportunities to State or nonprofit TPO.

Retailers

- Can contribute funding to the nonprofit TPO (formula to be determined);
- Responsible for providing point of sale information on energy efficiency benefits and recycling opportunities as assisted by the nonprofit TPO;

- May only sell lamps for which the manufacturer is in compliance;
- Responsible for reporting annual lamp sales in California to the nonprofit TPO which “sanitizes” the data for submission to regulatory agencies;
- All stores invited to participate as collection centers; and
- Responsible for appropriate on site management of returned lamps

If after 2 years, manufacturers can demonstrate inability to meet convenience requirements due to lack of retailer participation, then all retailers >X sq. ft. and >Y annual sales are required to participate until convenience measures achieved

Utilities

- Can contribute to the Nonprofit TPO (formula to be determined) using rate payer funding;
- Facilitate flow of rate payer funds from the CPUC for use in Take It Back program for energy efficiency and environmental protection;
- Only distribute lamp brands fully compliant with the program;
- Outreach and education on disposal closely coupled with all outreach on energy efficiency, although utilities can direct and pay the Nonprofit TPO to conduct a universal statewide public education campaign; and
- Report data on lamp distribution outside retail environment (*give-aways*).

State Government

- Provide oversight of performance of Nonprofit TPO to ensure cost effective use of funds and progress towards recycling goals;
- Provide certification/enforcement of recycling operations;
- Provide compliance assistance to collectors and handlers;
- Collect sales and recycling data; and
- Review performance and consider enacting diversion-based performance standards.

Local Government

- Provide outreach and education in partnership with State, utilities, retailers, and producers and/or their Nonprofit TPO;
- Cooperate with nonprofit TPO to create drop-off centers for lamps;
- Outreach and education on disposal closely coupled with all outreach on energy efficiency in concert with the Nonprofit TPO;
- Coordinate with LEAs and solid waste management companies to assure that lamps are not disposed in the trash; and
- HHW facilities would be eligible for a spent lamp incentive payment.

Collectors/Recyclers

- Must follow universal waste management requirements;
- May enter into “contracts” or another simpler instrument (e.g., a standard agreement) with Nonprofit TPO, whereupon they will be eligible for incentive payments of up to 10 cents per lamp;
- Recyclers must provide reporting on recycling of California lamps to the Nonprofit TPO which aggregates and verifies data for submission to the State;

- Collectors may contribute financially to Nonprofit TPO if they so desire for purposes of outreach and education, but any spent lamps collected will be paid for by the nonprofit or by stakeholders as directed by the Nonprofit TPO; and
- Recyclers may contribute financially to the Nonprofit TPO if they so desire for purposes of outreach and education, but any spent lamps recycled will cost something to process, so there will be a need for the Nonprofit TPO, or by stakeholders as directed by the Nonprofit TPO, to pay for all lamps recycled.

Funding options for B

1. Whatever funding mechanism is selected by group can be the source of funding for the Nonprofit TPO
2. CPUC funds can be spent by the utilities as directed by a Nonprofit TPO
3. Nonprofit TPO can raise funding in a to-be-determined formula from the stakeholders to pay for the program, if the legislature directs responsible parties to participate in an approved Nonprofit TPO

Option C for the Collection and Recycling system

This option relies on the manufacturers and retailers to develop and fund the collection and recycling structure for fluorescent lights. It does not require, nor exclude a TPO from managing the system, but it does require that the system is fully funded by manufacturers and retailers. It also requires all retailers to collect the lights from consumers for free.

Manufacturers

- Develop appropriate labels
- Accept used bulbs back at end of life.
- Direct bulbs to approved recycling facilities for safe processing.
- Work with retailers and distributors to develop most efficient takeback system.
- Invest in development of alternatives containing fewer toxic materials.

Sellers/Retailers

- Accept used bulbs back at end of life
- Publicize take back program
- Responsible for safe handling
- Work with manufacturers to develop efficient take back system
- Work to meet established take back goals
- Provide data on sales and take backs

Utilities

- Encourage use of energy efficient bulbs
- Provide statewide publicity about proper recycling of spent bulbs
- With approval of Public Utilities commission, provide grants from public goods funds for:

1. grants to local governments and non-profits for local outreach and education programs
2. grants to local governments for improvements to local Household Hazardous Waste collection programs for proper collection and processing of fluorescent bulbs.

State Government

- Develops and monitors takeback program
- Collects data from manufacturers, sellers, recyclers and local governments
- Provides incentives for compliance and to encourage improvements
- Sets standards for safe handling of used bulbs

Local Government

- Accept used bulbs at Household Hazardous Waste facilities
- Provide data on numbers and types of bulbs recycled.
- Inform local sellers about takeback program
- Inform consumers about proper handling of used bulbs
- Monitor compliance with program

Collectors/Recyclers

- Process used bulbs in compliance with safety standards
- Provide data on numbers and types of bulbs recycled.
- Work with retailers and distributors to develop most efficient takeback system.

Funding options for C

1. Manufacturers and Retailers fund the entire system.

Option D for the Collection and Recycling system

To be submitted by the manufacturers

Option E for the Collection and Recycling system

Legislature

- Establish time line for implementation
- Set recycling and convenience goals
- Establish TPO allocation between manufacturers and rate payers (IOUs and POUs) for initial setup and adjusted if goals are not met.
- Set mandatory retailer participation requirements if goals are not met.
- **Third Party Organization (TPO)**
 - Independent, non-profit organization

- Board of Directors will include range of stakeholders
- Collects funds from manufacturers and utility rate payers (Publicly Owned and Investor Owned)
- Coordinates and funds outreach and education in close collaboration with the state and local governments
- Negotiates fees and funds consolidation and recycling
- Submits annual plans to State for expenditure of collected funds and collection plans. Elements TBD including convenience metrics
- Monitors and reports performance of system including outreach, education, convenience of collection, processing, and recycling
- Coordinates with local governments and LEAs to provide training to staff at collection centers

- **Manufacturers**

- Creates TPO and provides funding to the TPO
- Shared responsibility for publicity and outreach especially on packaging and websites
- Must provide data on sales to TPO or State.
- If after X years TPO data show failure to meet legislatively established recycling rate and/or convenience goals the percent of contribution by the manufacturers to fund TPO activities shall be increased.

- **Retailers**

- Responsible for providing point of sale information on energy efficiency benefits and recycling opportunities.
- May only sell lamps for which the manufacturer is in compliance.
- Responsible for reporting annual lamp sales in California.
- All stores encouraged to participate as collection centers
- Responsible for appropriate on site management of returned lamps
- If after X years TPO data show an unacceptably low recycling rate and convenience goals based on data collected, mandatory retailer participation, based on size/sales will become effective.

Utilities (Investor and Publicly Owned)

- Facilitate flow of rate payer funds to TPO
- Only distribute lamp brands that are fully in compliance with the program.
- Outreach and education on disposal closely coupled with all outreach on energy efficiency
- Report data on lamp distribution outside retail environment (*give-aways*)

State Government

- Provide oversight of TPO practices
- Provide certification/enforcement of recycling operations

- Provide compliance assistance to collectors and handlers
- Collect sales and recycling data.
- Review legislatively established performance and convenience goals. If goals are not met the state will determine if failure to meet established goals, triggers;
 - A. Mandatory retailer participation
 - B. Reallocation of costs to manufacturers until such time that these goals are met.

Local Government

- Provide outreach and education in partnership with TPO, State, utilities, retailers, and manufacturers
- Collaborate with TPO to maximize number of drop-off locations
- Outreach and education on disposal closely coupled with all outreach on energy efficiency
- Coordinate with LEAs and solid waste management companies

Collectors/Recyclers

- Must follow universal waste management requirements.
- May enter into contracts with TPO
- Recyclers must provide reporting on recycling of California lamps to TPO or to State (via contract provisions from manufacturers).

Funding options for E

1. Collection of “fees” from all stakeholders by a third party organization.